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Ariz. Treasurer says cash flow OK for now

PHOENIX (AP) - Arizona Treasurer Dean Martin says the state's cash flow is adequate despite a developing revenue shortfall and the nation's economic problems.

California officials are worried that a nearly frozen credit market will prevent that state from getting normally routine short-term loans to cover basic operating expenses.

But Martin says Arizona doesn't typically resort to that kind of borrowing and that the operating budget will have enough cash to make a big school aid payment in October. After that, there's sales tax revenue from holiday shopping.

However, Martin says current low interest rates are cutting into the state's return on its own investments and that the governor and the Legislature should act quickly to deal with falling tax revenues.

Associated Press Writer